

PUBLIC COMMENTS  
RECEIVED BY  
THE OFFICE OF THE HEALTH INSURANCE  
COMMISSIONER  
AS OF  
JANUARY 13, 2012 AT 1:45 PM

Hi, Just wanted to put my 2 cents in, since that is all I have have left after paying my Blue Cross Premiums. It seems that Blue Cross asks for a rate increase every 3 or 4 months. I am self employed and had Heath mate coast to coast family plan. The monthly premium was \$1,540.. Now that pan does not exist and it was replaced with Advantage Blue. The premium is now \$1,741 a month and a \$500 deductible (family Plan). That is a increase of about 15%. Plus now I get more paperwork, Explanation og benefits from blue Cross and now the doctors bills for the deductable. What is the basis for a rate increase? Blue Cross creates more paper work by giving less coverage and now they need more people to process the paperwork? Lets not even talk about the executive salaries. Steve Conti.

**Mr. Olon Reeder**

**44 Sherwood Avenue  
North Providence, RI 02911  
Telephone 401-231-0782**

December 1, 2011

Christopher Koller  
Health Insurance Commissioner  
Office of Health Insurance Commissioner  
RI Department of Business Regulation  
1511 Pontiac Avenue, Building 69-1  
Cranston, RI 02920

SENT VIA FAX 401-462-9645

**RE: Blue Cross & Blue Shield of RI, Annual Direct Pay Plans proposed rate increase of 4.4 percent effective April 1, 2012**

Dear Commissioner Koller:

This letter serves as my testimony in the above matter. Due to being self employed full time, I cannot be available to testify in person.

I am writing to oppose the increase requested by Blue Cross for their Direct Pay customers. As a long time Direct Pay customer, I feel the request is still quite high in these uncertain economic times, despite some slight improvement in the fiscal climate.

As you are aware, Blue Cross is the only provider of Direct Pay plans in Rhode Island. The Direct Pay customers are usually like myself, the self employed, or customers who have limited fixed incomes.

Even with their premium assistance help for those with low income, the Blue Cross request is still quite high, as most Americans are getting only 3.5 percent COLA increases for Social Security, while Blue Cross is still one percent more.

In my personal situation, I lost two-thirds of my self employed income since the recession began in 2008. My income has stayed the same as last year. So, it becomes more of a financial challenge to maintain health care insurance, while trying to make ends meet, when Blue Cross is the only game in town and Direct Pay customers are held to the whims of Blue Cross, along with trying to struggle these very difficult times.

Christopher Koller  
Health Insurance Commissioner  
Page 2, December 1, 2011

To make my health insurance more affordable, I have cut back on medical appointments and doing just the basic covered in full benefits, as the co-pays and deductibles are very expensive to pay, on top of the monthly premium.

With the new Federal Health Care Law coming online, I realize that Blue Cross is bearing more responsibility to provide Direct Pay insurance to meet the requirements. I also understand that Blue Cross ants their Direct Pay customers to share the pain associated with the ever rising cost of health care. However, with may Direct Pay customers, myself included, bearing more financial burden for health care, it becomes very critical to me as to whether I can sustain keeping my health insurance. But, I have to rely upon it out of necessity.

What I would like to suggest is that instead of Blue Cross asking for ever increasing rate hikes year upon year, that they should provide the following incentives, in addition to their premium assistance:

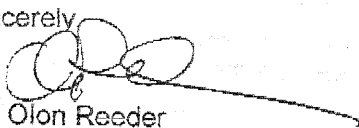
First, I feel that long time Direct Pay customers should get a rate decrease if they use less medical benefits, and not pay for others who use their benefits excessively. I think longevity as a Direct Pay customer and self management of benefits should be rewarded, especially by Blue Cross, which is a non-profit insurance provider.

Second, I would urge you to take action to offer competitive Direct Pay plans other than Blue Cross, which would be similar to what Medicare does with their medigap plans with open annual enrollment. This way, people reliant upon Direct Pay health insurance don't have to depend on just one company.

Third, as an alternative to Blue Cross Direct Pay, allow self employed and those on fixed income to buy into the Rhode Island State Government employees' health care plan, which would be just as competitive with Blue Cross and provide State Government a way to maintain its own health benefits program.

I would respectfully ask that you rule for a much lower Direct Pay rate hike and to please consider some of the suggestions I have offered so that people like me could have the safety, security and stability many self employed and fixed income customers would expect for their long term health insurance needs.

Sincerely,



Mr. Olon Reeder



**From:** Midge Kahn <midgekahn1@me.com>  
**To:** "healthinsinquiry@ohic.ri.gov" <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/2/2012 2:23 PM  
**Subject:** Blue Cross Direct

Dear Commissioner:

As a small business owner, I am outraged by Blue Cross if RI's request to raise Blue Cross Direct rates.

If RI agrees to this, YOU, would be responsible for severely hobbling the only way RI can emerge from our current recession. Small businesses are this states best chance for recovery. As RI is already a very difficult state to afford to do business in, adding an additional burden of even higher health insurance rates will force small RI businesses into despair. I will seriously have to consider leaving RI and I am sure other small businesses will also.

I implore you to not allow Blue Cross of RI to break the backs of small businesses that are already struggling to afford insurance. As you are well aware, Blue Criss has a monopoly in RI for direct payees and Blue Cross is offering far less insurance for the rate we pay than large group policies. This alone is outrageous and any further injustice is too much to bear.

Do not allow Blue Cross to force small businesses out of Rhode Island.

Jake Kahn, President  
The Flatiron Works, Ltd.  
71 Corey Road  
Wakefield, RI  
401 782 4714

Sent from my iPhone

January 3, 2012

Office of the Health Insurance Commissioner  
1511 Pontiac Avenue  
Building #69-1  
Cranston, RI 02920

RECEIVED

JAN 04 2012

Health Insurance  
Commissioner

Attn: Mr. Herbert W. Olson Esq. Hearing Officer

Re; Proposed Blue Cross Rate Increase

Dear Sir:

The attached clipping from the Providence Journal is both confusing and misleading not to mention disturbing in its' content.

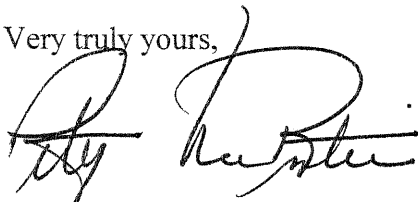
As a direct pay subscriber to BC/BS, I am sure many of the 14,000 other participants in the direct pay program, can ill afford continued rate increases, especially given the work environment in the State, and the inability to secure proper coverage through employment. The headline that a 4.4% increase is sought is frustrating enough, but the comment that some plans would see double digit increases, while others would see double digit decreases is unconscionable, and in my opinion demonstrates questionable fiscal mismanagement.

Having been unable to find suitable employment within the construction field over the last 18 months, my COBRA benefits were exhausted under United Healthcare, so I was forced to seek direct payment options to provide coverage for my family. I am not even sure how I will be able to continue to afford proper coverage, my certification cards have not come in the mail yet, but my the rates are increasing.

The current economic climate, within RI, coupled with continued rising medical costs, is making it nearly impossible to sustain quality medical care as an independent, and I urge you to keep this in mind, and act accordingly as you address this issue. Double digit increases and decreases are unacceptable, and I fear the result will cause many to relinquish their coverage under such conditions, creating even greater burdens on hospitals and taxpayers as they struggle with the issue of covering costs for the uninsured needing medical attention.

The right to affordable adequate medical coverage should be within the reasonable grasp of all Rhode Islanders, and I urge you in your capacity to insure that rates are controlled accordingly.

Very truly yours,

A handwritten signature in black ink, appearing to read "Herb Olson", is written over the closing "Very truly yours,".

## HEALTH INSURANCE

# Blue Cross seeks average 4.4% rate hike

Some plans would see double-digit decreases while others would get hit with double-digit increases

By **RICHARD SALIT**  
JOURNAL STAFF WRITER

Blue Cross and Blue Shield of Rhode Island is seeking an average 4.4-percent increase in the premiums it charges to people who purchase health coverage directly from the nonprofit insurer.

The office of the state health insurance commissioner announced the rate-hike request on Thursday for the plans that cover individuals and families not eligible for health insurance through

employers or government programs. About 14,000 people in Rhode Island are covered through the "Direct Pay" plans.

Blue Cross, the sole provider of direct-pay plans in the state, last obtained a rate increase in March. Commissioner Christopher F. Koller approved an increase of 1.9 percent, lower than the 7.9 percent Blue Cross was seeking. The rates went into effect on April 1.

Any increase in the current rate would begin April 1 and remain in effect for 18 months.

The rate filing does not apply to any Blue Cross Medicare products.

While the average increase is 4.4 percent, some of the plans would see double-digit decreases while some would

get hit with double-digit increases.

A hearing on the proposed increase will be held Jan. 17. Sessions will be held at 9 a.m. and 6:30 p.m. at the office of the state Public Utilities Commission, 89 Jefferson Blvd., Warwick.

Written comments may be mailed to Hearing Officer, Herbert W. Olson, Esq., c/o Office of the Health Insurance Commissioner, 1511 Pontiac Ave., Building #69-1, Cranston, R.I. 02920, or sent by e-mail to [HealthInquiry@ohic.ri.gov](mailto:HealthInquiry@ohic.ri.gov).

All written submissions must be received no later than Jan. 17, 2012, at 9:00 a.m.

[rsalit@providencejournal.com](mailto:rsalit@providencejournal.com)  
(401) 277-7467

12 JAN 12/30

SUSAN WILSON  
P.O. Box 1016  
CHARLESTOWN, RI  
02813

BWC CROSS NO! (STILL HAVE)

RECEIVED

JAN 04 2012

Health Insurance  
Commissioner

JAN 1, 2012

DEAR SIRs:

PLEASE DO NOT RAISE THE COST  
OF PRIVATE HEALTH CARE INSURANCE.

I AM A PRIVATE CARRIER. I PAY  
\$741.00 MONTHLY, PLUS HIGH DEDUCTIBLES, AND  
CO-PAYS. ENOUGH IS ENOUGH. I AM 57  
YEARS OF AGE AND I HAVE 10 MORE YEARS  
TO PAY FOR MY HEALTH INSURANCE.

EVERY YEAR HIGHER + HIGHER —  
PLEASE FIND ANOTHER WAY TO CUT COSTS.

I AM BEGINNING TO GET ILL  
FROM THE HIGHER COSTS EVERY YEAR. I  
WANT TO BE A RESPONSIBLE ADULT —  
WHICH IS BECOMING LESS POSSIBLE WITH  
THE YEARLY HIGHER RATES —

YOURS HOPEFULLY,

Susan Wilson

P.O. Box 125  
Narragansett, RI 02882  
January 2, 2012

Hearing Officer  
Herbert W. Olson, Esq.  
c/o Office of the Health Insurance Commissioner  
1511 Pontiac Avenue, Building #69-1  
Cranston, RI 02920

RECEIVED

JAN 04 2012

Health Insurance  
Commissioner

Dear Attorney Olson:

I am writing with regard to the article that appeared in the The Providence Journal on Friday, December 30, 2011 on the proposed rate hike of 4.4%. As an individual with two business degrees, two certifications, and working on a third degree in Accounting, I cannot find a job in the State of Rhode Island. Incidentally, I have been searching for two years without luck.

As a result of loss of employment I was on COBRA until it was exhausted and then was eligible to obtain coverage directly from Blue Cross. I have been paying over \$400 a month since purchasing this Plan, and now that I am a "99er" meaning "no income", I am now paying \$535.00 per month for this Plan. It is a constant struggle and I'm watching my life savings dwindle to nothing because I have to meet this huge payment each month to be insured. I think it is outrageous that a NONPROFIT organization believes that it is justified in seeking rate hikes on the most vulnerable. We who are paying for this insurance cannot afford it, and eventually the money is going to run out. However, to not have insurance is also a prescription for disaster in that in the event of a catastrophic situation or even an admission into a hospital can wipe out everything an unemployed person owns.

Blue Cross, for many years now, has been operating like it is a for-profit with hefty salaries and bonuses going to top executives, yet the people who are unemployed through no-fault of their own, are paying dearly. I am not suggesting that we get free healthcare, but the premiums that we pay are exorbitant for those of us without income. Why aren't the rates being raised on premiums for employer-sponsored plans? Why is it just the direct pay plans?

I respectfully request that Commissioner Koller deny this request to once again raise the rates. My rates have been raised each year in addition to the rate hike that was granted last year. I want to know what all this money is being used for? Is it executive salaries? Operating costs? Claims costs? I would think that being a not-for-profit organization, all taxpayers would want answers to this question. Please deny this request; out-of-work Rhode Islanders cannot afford it. Thank you for your attention.

Sincerely,



Nadine Provost

Jan. 2, 2012 RECEIVED

Herbert Olson Esq.

JAN 04 2012

Health Insurance  
Commissioner

Dear Sir:

The way the cost of living  
is going up, please do not  
raise our Blue Cross. again.

I am a widow, 91 years  
of age. I try to be careful  
and not to get sick and use  
my Blue Cross.

When \$399.52 bill comes  
in its quite an amount.

Please tell me what it would  
cost if you get 4.4%.

Thank You,

Mary Cronin  
715 Putnam Pike #2238  
Greenville, R.I. 02828

ED

#ZBP200153797

To:

Hearing Officer, Herbert W. Olson, Esq.  
Office of Health Insurance Commissioner

From:

Janice Gorman  
35 Westwood Road  
Lincoln, RI 02865

Re: Blue Cross Direct Pay Proposed Increase

I am asking you to please reject the increase in premiums proposed by BC/BS of RI for their Direct Pay customers. Under the current rates, I pay the Preferred Pool rate of \$490.66 per month with a \$2000.00 deductible and a \$3000.00 out-of-pocket allowance. If the 4.4% increase goes into effect, my new rate will be \$606.28 per month.

I have been unemployed since March 2011 because of a company closure. My Unemployment Benefits are about to expire. I receive \$140.00 per week, all of which is applied to paying my monthly Blue Cross premium and nothing else. My so-called "free" annual physical in October cost me \$226.61. In a few weeks, I will be having a necessary major surgery and I have already been warned by my doctor's office that if I don't meet the \$2000 deductible, I will be liable for the entire surgery. And it may take months before I am able to begin looking for a job. My stress level couldn't be any worse. So why would I be in favor of a rate increase??

The economy in RI is just as bad as it was last year and the year before when Blue Cross asked for rate increases. More companies have closed, people have lost their health benefits, and fewer jobs are available. I believe that many Direct Pay customers are in this program out of necessity, not because they want to be. Blue Cross Direct is my only option until I reach 65 in 2013.

If this rate increase is approved in April, I will have to find a way to come up with \$606.00 per month. I don't think I will be able to do that. Please take into consideration all of those enrolled in BC/BS Direct Pay. There are many less fortunate than me.

Thank you for your consideration. I appreciate your time and effort.

**From:** Emily Grady <etfgrady@verizon.net>  
**To:** <healthinquiry@ohic.ri.gov>  
**Date:** 1/4/2012 1:47 PM  
**Subject:** BCBS rate increase

Dear Mr. Olson,

I would like to comment on the latest proposed BCBS rate increases. My family buys insurance directly through BCBS, as there is no other decent option available to small business owners. As far as I recall, rates have been increased several times over the past few years, and they are already astronomically high. It is unreasonable and unfair to put struggling families in this position, forcing them to consider forgoing insurance altogether, which can lead to disaster and bankruptcy. There must be some way BCBS can figure out how to run their business in a more cost-effective way. I am strongly opposed to further rate increases.

Sincerely,

Emily Grady



January 4, 2012

To Whom It May Concern:

I am appalled at the attempt once again by BCBSRI in requesting a rate increase to the Direct Pay category. Today I received documentation regarding a pending change to my health insurance, Healthmate Coast-to-Coast direct pay plan.

We are the group of individuals who cannot obtain healthcare under a group, which would cost less. The plan change indicates that there is an increase payment by consumer, and reduced coverage by the insurance industry. For example, the preventive services are not covered as well as a physician's in office surgical procedures. This forces us to obtain more costly alternatives, which results in more out of pocket expenses.

In this dire environment we are forced to continue to absorb costs from the city and state and for healthcare as well as other necessities such as food, heat, gas etc. If we are to survive this environment then BCBSRI should implement a coverage which stresses more on preventive services and cut cost in house! I am against this increase which once again increases the cost to consumer, while producing less coverage.

There are 14,000 Rhode Islander's that are covered by direct pay? I thought it was 17,000 in the last report? Where are the rest? Not insured? RI Medicaid? Moved out of State?

Please find a solution without passing along the cost to the consumer?

Thank you

**HealthInsInquiry - direct pay rate increase**

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**From:** Les Brigham <lrb10001@hotmail.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/4/2012 11:35 PM  
**Subject:** direct pay rate increase

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RI Office of the Health Insurance Commissioner:

I have been informed of the request of rate increase on my direct pay Blue Cross Healthmate policy.

This is unconscionable. This company has not made any effort to curb expenses, in fact it has been spending more.

There service over the past year has been terrible. Every claim I have had has been processed wrong, form applying the wrong deductible, wrong co-payment, and even applying one of my claims to my wife since my out of pocket had been met. Either they are hiring more and more incompetent people to process claims or are doing this deliberately.

Increasing premiums to only about 7,000 policy holders even defeats the definition of insurance. I believe that the larger group plans should share this burden.

On a personal m note, I am now disabled, collecting \$1200.00 per month from Social Security, and now they want \$1209.32. My savings are being depleted at a very fast rate.

They need to be put under control.

Yours truly,  
Les Brigham

**HealthInsInquiry - BCBS premium increase. DO NOT INCREASE**

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**From:** linda lapin <greenhilltr@gmail.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/5/2012 9:17 AM  
**Subject:** BCBS premium increase. DO NOT INCREASE

---

Dear Health Insurance Commissioner

Please do not approve an increase in premium rates for BCBS plans for individuals and families.

On top of a high deductible, I already pay \$17000 a year for a less than perfect plan.

This all adds up to around \$20000 a year especially when BCBS does not even cover the cost of a routine mammogram.

I am a small business owner, Very small, and sometimes I think I am only working to cover the cost of insurance now, as it is.

A much better idea would be to reduce the premium rates.

Sincerely,  
Linda Lapin

**From:** <gail@apolloautosales.com>  
**To:** <healthinquiry@ohic.ri.gov>  
**Date:** 1/5/2012 10:16 AM  
**Subject:** premium increase

Dear Sir or Madam:

I can't believe Blue Cross is requesting another increase for Direct Pay customers. I do not understand why they seem to pick on the "Direct Pay" group all the time. This group is struggling to put gas in their vehicle, feed their family & keep their family warm this winter. Where will the money come from? They should not be paying for the "palace" they built on the backs of the unfortunate that are not offered group health coverage.

PLEASE SHOOT DOWN THEIR REQUEST.

## HealthInsInquiry - Blue Cross rates

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**From:** <drfrtuna@aol.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/5/2012 11:18 AM  
**Subject:** Blue Cross rates

---

Hearing Officer  
Herbert Olson, Esq.  
Office of the Health Insurance Commissioner

Dear Attorney Olson and Commissioner Koller;

I have never written you regarding BCBS before but I am so upset by the games that BCBS plays with rate proposes, that I feel I must.

Everyone knows that health cost are going up. BCBS of RI is doing little to help lower the cost of care in RI and actually are adding to the cost by poor management and expanding there roll in care giving. There proposed rate increases along with the added new co pays of 20% are unacceptable. There medical team has lost site of there purpose. They do not look at cost savings equally with benefits. Hours could be spent with examples but I am sure you know many of the problems.

I urge you to outright reject the plan changes and recommend no increases. BCBS could help out by cutting there compensation plan to all employed by a 20%.

Francis Ramella

## HealthInsInquiry - Protest of Proposed Blue Cross & Blue Shield Rates

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**From:** "Christina Machado" <christinamachado@cox.net>  
**To:** <HealthInsInquiry@ohic.ri.gov>  
**Date:** 1/5/2012 1:13 PM  
**Subject:** Protest of Proposed Blue Cross & Blue Shield Rates

---

To: Herbert W Olson, Esq, Hearing Officer  
Office of the Health Insurance Commissioner

Dear Mr Olson,

I am writing this letter to you to protest Blue Cross & Blue Shield's proposed increase to premium rates. Specifically, my plan Blue Solutions for HSA Direct Plan 5000/10000 has a proposed 17.3% increase, plus increased cost in pharmacy co-pays, and newly created visit limits for physical, occupational, and speech therapy visits.

It is bad enough having a \$5000 a year deductible with no co-pays for doctors visits. Essentially is is like having NO insurance. I have to pay for all my medical expenses, plus of course, my Blue Cross monthly premiums. And now Blue Cross wants so much more, 17.3% more, from \$386.47 to \$453.34, a monthly increase of \$66.87. This is an outrageous increase.

I am living below the poverty level as it is and this certainly doesn't help. Of course, I have taken advantage of Blue Cross's AccessBlue program. As monthly premium rates escalate time and time again, strangely the AccessBlue allowance does not also increase, by even one dollar.

Please do not approve this rate increase.

Sincerely,  
Christina L Machado  
824 East Rd  
Tiverton, RI 02878  
401 816-5869

Christina L. Machado

824 East Rd.

Tiverton, RI 02878

Phone (401) 816-5869

christinamachado@cox.net

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner

January 5, 2012

Herbert W. Olson, Esq., Hearing Officer  
Office of the Health Insurance Commissioner  
1511 Pontiac Avenue, Building #69-1  
Cranston, RI 02920

Dear Mr. Olson,


I am writing this letter to you to protest Blue Cross & Blue Shield's proposed increase to premium rates. Specifically, my plan Blue Solutions for HSA Direct Plan 5000/10000 has a proposed 17.3% increase, plus increased cost in pharmacy co-pay, and newly created visit limits for physical, occupational and speech therapy visits.

It is bad enough having a \$5000 a year deductible with no co-pays for doctors visits. Essentially it is like having NO insurance. I have to pay for all my medical expenses, plus of course, my Blue Cross monthly premiums. And now Blue Cross wants so much more, 17.3% more, from \$386.47 to \$453.34, a monthly increase of \$66.87. This is an outrageous increase.

I am living below the poverty level as it is and this certainly doesn't help. Of course, I have taken advantage of Blue Cross's AccessBlue program. As monthly premium rates escalate time and time again, strangely the AccessBlue allowance does not also increase, by even one dollar.

Please do not approve this rate increase.

Sincerely,

  
Christina L. Machado

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner

2426 Post Road, #306  
Warwick, RI 02886

January 4, 2012

State of Rhode Island  
Office of the Health Insurance Commissioner  
1511 Pontiac Avenue  
Cranston, RI 02920

ATTENTION: COMMISSIONER

RE: BCBS RATE INCREASE

I am writing to protest any type of an increase in premiums for Direct Pay participants as the rates already are exorbitant.

I am a 63 year old, unemployed senior citizens living on social security; paying \$386.47 per month for a policy/plan with a \$5,000.00 deductible!!! I have had to cut back on food just to be able to pay this monthly premium. With this premium payment of \$386.47 I have to pay the first \$5,000.00 out-of-pocket before I even receive any benefits from this plan. I cannot imagine how I will live if the rate goes up and they raise their deductibles and Rx copays.

Sincerely,



Carol Hart  
(401)681-4172



Robin A. Bugbee

Plaid & Stripe LLC.  
17 South Angell Street  
Providence, RI 02906

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner

January 4, 2012

Christopher F. Koller  
Health Insurance Commissioner  
State of Rhode Island  
Office of Health Insurance Commissioner  
1511 Pontiac Ave Bldg. 69-1  
Cranston, RI 02920

Dear Mr. Koller:

I am writing to protest the recent increase in direct pay plans that has been requested by Blue Cross Blue Shield of Rhode Island

I do so for two reasons:

1. Early last year, BCBSRI aggressively pursued a policy of attempting to move it's direct pay subscribers to a new plan called "Health Mate Coast to Coast 1000/2000". That plan featured a higher individual deductible (\$1,000) but offered all diagnostic tests with no payment as part of the plan. They are now seeking to change the name of that plan to "Vantage Blue Direct" where not only does the individual deductible increase to \$1500 but the cost for "diagnostic radiology services including MRI's, MR's, PET scans, CT scans and nuclear cardiac imaging" will go from no payment to a "20% payment after the deductible."

In my humble estimation this is no more than a "bait and switch" effort that BCBSRI had to have planned in advance as the second step to moving their direct pay subscribers to an increased deductible last year. It is inexcusable that BCBSRI would seek to eliminate the benefits of their own plan less than one year after they pushed aggressively to move their direct pay customers to it.

2. BCBSRI's direct pay customers carry a burden that none of the rest of their subscriber base does. Because we are either independent business people, self employed or otherwise not eligible to purchase health care from an employer group, we have no organizing or negotiating ability and no chance to keep our health care costs under control. We are easy targets for rate increases that BCBSRI could not easily secure from large group accounts and employers. I contend that our benefit usage is no different from those in large groups and that our rates should not increase simply because BCBSRI wishes them to.

3. Lastly, those of us in direct pay programs have absolutely no alternative coverage available and since BCBSRI seems to be operating at great profitability (for a supposed not for profit organization) and faces no financial hardships in the foreseeable future, their request for a rate increase is totally unjustified.

Many of us, particularly direct pay customers, are in a continual struggle for survival due Rhode Island's miserable economic situation. I ask you to be fair with those of us who without access to the power to negotiate with BCBSRI are continually threatened by unjustified rate increases we simply cannot afford year after year. The cumulative effect of establishing payment for tests that were promised only last year to be included in "Health Mate Coast to Coast" will be to increase our overall rates far higher than the 4.4% rate BCBSRI is claiming.

Please deny this rate increase which will impact those of us with the most serious illnesses, cancer and heart disease with the unbearable impact of paying for expensive, crucial diagnostic tests which we were promised would be included in our coverage without cost only 12 months ago.

Sincerely:



Robin A. Bugbee

✓ Cc:

Hearing Officer  
Herbert W. Olson  
Office of Health Insurance Commissioner  
1511 Pontiac Avenue  
Building #69-1  
Cranston, RI 02920

"Happy New Year!?"  
"Healthy New Year!?"

Pg. 1 of 2

January 1, 2012

Attention: Hearing Officer, Herbert W. Mason,  
Esq.

Re: Blue Cross seeks average 4.4% rate hike

Dear Blue Cross & Blue Shield of R.I.,

Thank you for the opportunity to write to you to express my concerns regarding your request for a 4.4% increase in premiums for "Direct Pay" Health Insurance plans.

So let me get this straight. People, like myself, are struggling to pay already outrageous premiums to begin with.

I am a "Direct Pay" member - my premium (Individual) is \$751.66 just for myself.

Now you want me to pay \$784.73 a month? So President Obama, is

trying to come up with Health Insurance that all Americans can afford because HE is aware of the number of uninsured

Americans. So, again, you want to raise the premiums on April 1st? Is this an April Fools' Day joke? And, are you the fools? And a question

for Commissioner Christopher G. Keller —  
Are you a "yes" "yes" man? If so, we  
need a "no" "no" person, perhaps a  
woman! What are you thinking? What  
don't you get? We can't afford the  
premiums — We're struggling! I encourage  
you to deny the request. What do you  
pay for Health Ins.? Of course, I do not  
make your salary. Will our higher  
premiums give you a nice big raise?  
Oh, and did you know that R.I. is  
one of the hardest hit states, foreclosures,  
no jobs, poor economy — get the picture?  
Instead of helping us, you are contributing  
to the struggling by raising our premiums!  
You're taking advantage of us because we  
and Health Ins. Shame on all of you!  
This is NO Time to increase our  
premiums! Get up breathe! You just  
raised them in March, 2011. What's  
left to say? — Have a Heart!

VOTE "NO INCREASE!"

Please!!!

January 5, 2012

Dear Mr. Herbert W. Olson Esq.

I just finished looking at the BCBS rate and benefit changes and I'm disgusted.

All I hear on TV news is that the average rate increase proposed is 4.4%. On face value that may sound fair, until you find out that at the same time benefits are being decreased and that people in certain categories will get a 17% increase in premium rates.

BCBS is proposing to vary the rate changes by category based on the plan, age, and single/family coverage. My category is increasing 10.3%, for age 60-64, Vantage Blue Direct, and family(my wife and I).

The 10.3% increase brings the premium up to \$16,669.68 annually. Try paying \$16,669.68 per year in premiums alone, while being out-of-work.

A 4.4% increase across the board would be more fair to all. Imagine getting a 17.3% premium increase, because of the category you happen to be in!

BCBS shouldn't get any increase, but should be giving a decrease, due to the reduction in benefits, they are trying to put through.

While they want me to pay 10.3% more in premiums, they want to raise my deductible 50% from \$2,000 to \$3,000 and the family maximum out-of-pocket from \$6,000 to \$9,000.

On top of that, BCBS will no longer pay for three services, until this higher deductible is totally paid: diagnostic radiology services, diagnostic laboratory services, and surgery in a physicians office. All of which are very expensive. Plus all my tier 1 pharmacy copayments are increasing 43%.

For some reason, this doesn't sound fair or right.

Side Bar: My wife and I have to pay the same family rate that a family of 5 pays. A breakdown of rates within the family category would be more fair.

Thank you for your help.

Regards,



Richard A. Bell

401-949-1655

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner

January 5, 2012

Office of the Health Insurance Commissioner  
1511 Pontiac Ave  
Bld # 69, First Floor  
Cranston, RI 02920

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner

RE: BCBS Rate and other requested increases for April 2012

To Whom This Concerns (And this concerns ALL of us);

Dear Commissioner,

I am writing to protest the the proposed premium rates increase for BCBS Plans for Individuals and Families AND significant co payment changes. These proposed changes do not support the the mandate of affordable health care for all. I cannot attend the meeting for this that is scheduled for January 17th as I will be working at a temporary job as I will guess many others are who would want to attend will also be working. This in of itself is an obstacle to those of us who protest these changes. Please note in the letter that was sent to BCBS prescribers by BCBS, the address to your organization, whom in the letter they suggested we write if we could not attend the meeting, was not provided. Another obstacle for some I am sure. I am sorry for my pessimism but these two obstacles seem intentional.

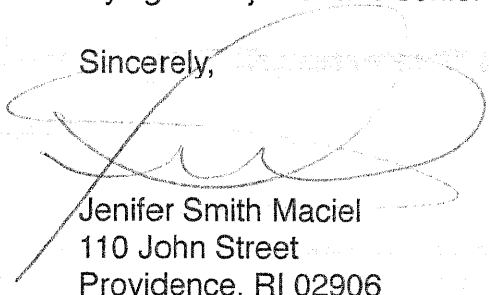
The rate increase of 4.4 is one issue, one that does not seem totally unacceptable to me but the most disturbing to me is the 20% payments after the deductible is paid and the increase of the "Individual-out-of-pocket maximum". I am also disturbed that some basic blood work, for example cholesterol testing, is not covered as part of a routine physical. This to me is a smack in the face to preventative health care and will once again send more people to ER's for possible unknown cardiac issues.

In my own situation, which I believe is a good example, I applied for both Access Blue and Preferred Rate, both of which have been granted after sending additional paperwork that was requested and letters written by both myself and my doctor along with numerous calls made to BCBS, but I doubt if these above increases get approved that these two plans of assistance will increase accordingly but they should if these increases go through. The position I worked in for 11 years was terminated so I had to resign and am now looking for work. **Note: RI ranks fourth in the country for the highest rate of unemployment as of December 2011!** I am currently living on a widow's benefit as my sole source of income and after paying for my individual health insurance under the current rate I am left with 350.00 for the month. If these increases are granted to BCBS I will have to drop my health insurance completely. Fortunately I am in general good health but given all the current out of pocket costs I don't even go to the doctor if needed at this point. I certainly will not state that I have any kind of problem or I will not be granted the Preferred Rate again, this was made clear to me in

discussions with BCBS. This will send me to an ER every time a legitimate concern comes up and we all know this is not the goal for appropriate health care nor would I be able to pay for these visits and "someone" will have to pay for this care.

Thank you for taking the time to read this and I do hope you see the timing of this increase makes absolutely no sense at all given the current state of unemployment in this state as well as the obvious economic hardship that will follow. I guess BCBS of RI still needs more money to pay for the new building that they are in as if the periodic laying off of junior and senior staff is just not enough.

Sincerely,



Jenifer Smith Maciel  
110 John Street  
Providence, RI 02906

cc: SENATORS Whitehouse, Reed  
Reps. Langevin, Cicciotte

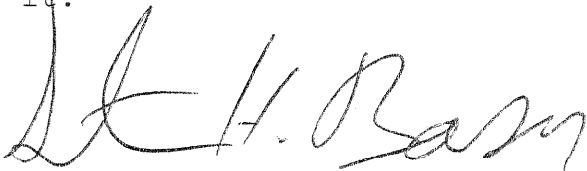
92 Lauriston St.  
Providence, RI 02906

January 5, 2012

Rhode Island Health Insurance Commissioner  
1511 Pontiac Ave.  
Cranston, RI 02920

Dear Commissioner:

I am on a Blue Cross/ Blue Shield Premium Assistance plan. I pay \$200.58 a month. The co-pays are so high that I cannot afford to go to a doctor. My drugs are expensive, as well. I was prescribed Topiramate 50 mg 90 count, Dexliano dr 60 mg 90n count, Amphetamine salt combo 30 mg tab 90 count. I cannot afford an increase in the premium. I may have to drop insurance and have to go to the emergency room when I am sick. I do not have a job and my mother pays my Blue Cross from her Social Security check. Blue Cross makes a large profit and due to the economy especially in Rhode Island they should not get an increase. The public cannot afford it. My mother cannot afford it.



Sincerely,

Steven Bass

RECEIVED

JAN 09 2012

Health Insurance  
Commissioner



**HealthInsInquiry - (no subject)**

---

**From:** <CTHPell@aol.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/12/2012 10:11 AM  
**Subject:** (no subject)

---

Dear Commissioner

Having just received the proposed rate increases for Blue Cross Blue Shield as they yet again rename their products and increase prices, I am appalled. I have to pay my own insurance, no employer driven tax breaks or anything like that and yet they continue to go after the individual payer probably because we have the least clout. The proposed deductibles have double digit increases and when one reads what is being offered, the consumer has to not only pay the higher deductible, but also pay in many cases 20% more for the service rendered.

Help!

Christopher Pell

**HealthInsInquiry - Blue Cross rate hike**

---

**From:** <MEPPEPbigdogs@cs.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/12/2012 2:36 PM  
**Subject:** Blue Cross rate hike

---

I am a direct pay Blue Cross and Blue Shield customer. I am 63 years old, out of work, and on Social Security. I receive \$974 monthly in benefits. Of this, I pay \$476.65 for my Blue Cross (this includes Blue Cross dental which just went up). This rate is with the preferred rate and the blue access discounts. The co-pays are large, and the plan does not pay for alot of things. I think that a good number of people on the direct pay plans are people like me -- with very little budget wiggle room. I keep up with my bills by tapping in to my IRA, which I hope will hold out until I reach Medicare age. There must be some better way to getting additional funds! Pamela E. Perry

RECEIVED

JAN 13 2011

1-12-11

Health Insurance  
Commissioner

Dear Mr. Olson,

Unfortunately, after 30 years of continuous employment with the same company, with employee co-paid health coverage, (Through Blue Cross, I lost my job to China.

Now unemployed, with exhausted COBRA coverage, I had no choice, or means, to afford costly health care! My only solution, as painful as it is, is to take a monthly distribution from my IRA.

What happens once that's gone? Seek public assistance to help survive in our golden years? Presently, my plan is \$1,479.00/month. That is a substantial amount of money.

My direct pay plan started on 4-01-11. Within eight months I have already had two increases - one price increase and one because I had a "milestone" birthday - 55! Now you are looking to increase it a third time!

It would be bad enough with the additional increase to the premium - but - what is proposed for increases to the various plan deductibles is truly ludicrous!

I will be forced to drop my insurance - as many will be. We will need to save our money and pay out of pocket for medical costs, as needed.

Why, why is BEB'S of RI allowed to be a monopoly in healthcare in our state?

it is time for a change all ways  
round!

Thank you for your time and  
attention

Respectfully,

Elizabeth Crawley  
Lincoln, RI 02865  
(401) 486-7530

**HealthInsInquiry - Blue Cross Blue Shield Direct Pay Filing**

---

**From:** Erik Aslaksen <easlaksen@gmail.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/12/2012 3:03 PM  
**Subject:** Blue Cross Blue Shield Direct Pay Filing

---

Dear Commissioner Christopher Koller,

I just wanted you to know as a RI resident that the Blue Cross Blue Shield Subscription rate Increase seems unfair and exorbitant.

This will be my third year owning a policy through Blue Cross Blue Shield as a direct pay consumer. I am self employed in the state of RI and BCBS is my only choice of provider.

Every year the plans have become more and more expensive with higher deductibles and less benefits. When will it be enough? These prices are out of hand and are quickly becoming an unreasonable burden on the average healthy Rhode Island household. If I paid full cost on the amount of times my family went to the hospital or see a doctor, I would barley skim the deductible of my plan - let alone the monthly rates that when added cost my family over 9 thousand dollars a year! Would you be so kind as to remind the leaders of Blue Cross Blue Shield that the aggravation stress and burden they are placing on Rhode Island families with their astronomical fees, deductibles and minimal benefit plans have completely removed any peace of mind we may have felt in the past for having insurance in the first place.

Thank you,  
Erik Aslaksen  
Concerned Rhode Islander.

Bradley R. Jones  
1 Newcastle Dr.  
E. Greenwich RI 02818  
401-885-1927

RI Health Insurance Commissioner  
1511 Pontiac Ave. Bld. # 69-1  
Cranston, RI 02920

January 12, 2012

RE: 2012 CHANGES TO MY HEALTHMATE COAST-TO-COAST DIRECT PLAN

Dear Health Commissioner,

The purpose of this letter is to address the changes proposed by BCBS of RI that take effect this April 2012. If implemented these new plans will have a serious impact on me financially. I was diagnosed with juvenile diabetes at age 6. I am now 37 years old and gross about \$29,000 annually. Within the past 15 years my health costs have skyrocketed – averaging close to ½ of my take home pay when factoring in the additionally costs of prescription drug co-pays, required Specialist co-pays and out of pocket over the counter supplies that most diabetic depend upon. During this same time period my salary has remained about the same. Presently, I had to endure a 7 hour per week cut to my 40 hour workweek so that I may keep the job I've held for the past 13 years. As a diabetic I am required (by my Endocrinologist) to schedule an office visit 4 times a year. Each visit requires 8-10 separate Diagnostic Laboratory Tests. I will soon be charged for these blood tests and the price does not come cheap. I know because I've paid for them in the past. Typically, they charge me more than they charge BCBS's fixed price. I am certain they are not suppose to do this but they all do it anyway. Vantage Blue Direct Plan April 2012 will require me to pay the first \$1000-\$1500 towards the cost of any diagnostic blood work that my doctor orders. Additionally, my monthly premiums will go up approximately \$600 per year. What if I need an X-ray? - It's not covered. Why can't BCBS wait until the Exchanges are up and running so that people like me will have a choice. I am stretched to the limits of what I can now afford to pay for health - even with my present ACCESSBLUE Level 2 qualification status.

Thank You Very Much,

Bradley R. Jones

**HealthInsInquiry - Blue Cross Direct Pay Rate Increase**

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**From:** "Fred Jorgensen" <fredj1@cox.net>  
**To:** "Blue cross" <HealthInsInquiry@ohic.ri.gov>  
**Date:** 1/12/2012 8:10 PM  
**Subject:** Blue Cross Direct Pay Rate Increase

---

To whom it may concern: I would like you to reconsider the proposed rate increase. I own a family run business which is celebrating 50 years in business this year. But I am afraid that we it will not survive for 5 more years never mind another 50. With the current economic conditions, my company cannot increase prices on our products and services. The only way to pay for an increase is for me and my employees (my 2 sons) to take a cut in pay. You had a rate increase last year. Inflation is near zero or below, a rate increase should not be called for this year.

Sincerely,  
Fred Jorgensen  
GJ Sales Co.  
64 Hope Ave.  
Hope, RI 02831  
(401) 826-2650

Commissioner Koller,

RECEIVED

JAN 12 2012

Health Insurance  
Commissioner

My name is ANTHONY MANNA, AND I HAVE DIRECT PAY BLUE CROSS. I HAVE BEEN PAYING MY OWN BLUE CROSS MY WHOLE LIFE, NO HELP FROM ANYONE. I HAVE DIRECT PAY 5000, WITH THE BIG DEDUCTABLE, SO I CAN AFFORD TO HAVE SOME KIND OF MEDICAL COVERAGE.

I CALLED BLUE CROSS AND THEY SAID MY PLAN WILL INCREASE OVER 15%. I CAN'T AFFORD TO PAY THIS. I AM OVER 62 YEARS OLD AND I CAN'T AFFORD THIS INCREASE !!! 4% OR 5% INCREASE O.K. BUT OVER 15% I CAN'T DO IT. I WILL PROBABLY HAVE TO DROP MEDICAL COVERAGE AND HOPE FOR THE BEST. YOU ARE THE ONLY ONE LEFT IN LINE TO TRY TO STOP THIS BIG INCREASE. I AM NOT THE ONLY ONE IN THIS SITUATION, SO PLEASE STOP THIS HUGE INCREASE.

THANK YOU,

HELP NEEDED,  
A RHODE ISLANDER.

Anthony Manna



From: Nancy Falcone ~~anderson@ohic.ri.gov~~  
Subject: **DO NOT RAISE RATES**  
Date: January 8, 2012 4:44:21 PM EST  
To: HealthInsInquiry@ohic.ri.gov.

RECEIVED

JAN 12 2012

Health Insurance  
Commissioner

BEING THAT THIS EMAIL DOES NOT SEEM TO BE VALID I WILL BE MAILING YOU THE FOLLOWING:

I wonder how many other people are not able to oppose to this increase due to an email address that does not appear to be valid??

**DO NOT RAISE RATES**

I WAS UNEMPLOYED AND AS A RESULT I GOT AN \$82.00 DISCOUNT ON MY RATES AS A DIRECT PAY THROUGH THE APPLICATION PROCESS.

**TIMES ARE TOUGH FOR EVERYONE!**

I DO NOT UTILIZE MY INSURANCE AS THE PREMIUMS ARE TOO EXPENSIVE AND I CANNOT AFFORD THE CO-PAYS ASSOCIATED WITH MY PLAN! Not Dr. visits, not blood work. After paying Blue Cross there is next to NO MONEY LEFT! I now work an entire week to pay one month to Blue Cross!!!!!!!!!! Therefore, I only can work off of 3 weeks per month worth of income. It makes me sick, therefore I feel it necessary to carry health insurance.

I RECEIVE DUPLICATE MAILINGS THAT I FIND UNNECESSARY.

EVERY TIME I HAVE TO CALL BLUE CROSS WITH A QUESTION IT IS LIKE PULLING TEETH!

CUT BACK ON MAILINGS AND PERSONNEL, DON'T INCREASE MY ALREADY TOO HIGH RATES.

EVEN WITH MY DISCOUNT I AM STILL PAYING ALMOST \$6000.00 PER YEAR.

I AM NOW EMPLOYED MAKING ENTRY LEVEL PAY. I INFORMED BLUE CROSS OF THIS. AS OF APRIL MY RATES WILL GO UP EVEN MORE AS I CANNOT APPLY FOR ACCESS BLUE DUE TO EMPLOYMENT.

YOU CHARGE TOO MUCH FOR WHAT IS OFFERED TO ME! OUR PAYS ARE NOT GOING UP AS MUCH AS ALL OF MY BILLS I HAVE TO PAY, INCLUDING YOURS AT BLUE CROSS!

IT IS WAYYYYYYYYYYYYYYYYYY TOO EXPENSIVE. NOW THERE IS TALK OF FINING THOSE WHO DO NOT HAVE HEALTH INSURANCE. IF I CAN'T AFFORD HEALTH INSURANCE, HOW CAN I AFFORD THE FINE THAT WOULD POSSIBLY BE IMPOSED UPON ME?????????

I CONTEMPLATE DROPPING MY HEALTH INSURANCE AS BLUE CROSS IS  
TOOOOOOOOOOOOOOOOO EXPENSIVE!!!!!!!!!!!!!!!!!!!!!!!!!!!!!! HAVE THE EXECUTIVES  
TAKE A PAY CUT LIKE THE REST OF US HAVE HAD TO  
DO!! CUT FROM THE TOP SO THE REST OF US  
CAN ACTUALLY AFFORD OUR  
INSURANCE!! You seem to keep  
increasing rates as no one can afford you in the first place, so you impose the cost of your loss  
upon people like ME!

IF THIS WAS FUNNY OR A JOKE, I MIGHT ALMOST CONSIDER A LAUGH OR TWO!!!!!!!!!!!!!!  
I AM BEING SUCKED DRY BY VENDORS LIKE BLUE CROSS AND IF YOU KEEP  
INCREASING YOUR RATES, I WILL NOT BE ABLE TO AFFORD FOOD OR  
HEAT!! HEALTH INSURANCE WILL NO LONGER BE A PRIORITY AS  
IT IS UNTOUCHABLE!!!!!!!!!!!!!!

**I VOTE NO ON ANY PROPOSED INCREASE!!!!!!!!!!!!!!!!!!!!!!** My mother lives off Social Security  
at age 83 and you are sucking her dry as well. It's a damn shame. You keep raising rates and  
you make us sick by doing so, therefore health insurance is almost necessary with all the stress  
you ultimately cause!

Thank you for your time and attention and the opportunity to opposed this inconceivable  
thought of actually increasing rates that are already WAY TOOOOOOOO HIGH!

Thank you.

N. Falcone

*N. Falcone*

RECEIVED

JAN 12 2011

Health Insurance  
Commissioner

1850 MINERAL Spring Ave.

NORTH PROVIDENCE, R.I. 02904

JANUARY 9, 2012

HEALTH INSURANCE COMMISSIONER

CHRISTOPHER F. KOLLER

DEAR SIR,

I AM WRITING TO YOU CONCERNING THE PROPOSED INCREASE TO HEALTH INSURANCE PREMIUMS FOR DIRECT PAY CLASS BY BLUE CROSS AND BLUE SHIELD. MY PROPOSED INCREASE IS \$60.00 A MONTH OR \$720.00 A YEAR. THIS IS AN INCREASE OF 16%. I CONSIDER THIS INCREASE TOO TOO HIGH, OUTRAGEOUS IS A BETTER WORD TO DESCRIBE THIS. THIS IS A DOUBLE DIGIT INCREASE! WHY IS THIS SO HIGH? MY POLICY HAS A \$5,000.00 DEDUCTIBLE ALSO AND THIS IS A WAY TO TRY TO KEEP MONTHLY PREMIUMS LOWER.

BLUE CROSS AND BLUE SHIELD IS THE ONLY INSURANCE IN RHODE ISLAND THAT OFFERS THE DIRECT PAY PLAN. THEY HAVE A MONOPOLY WITH THIS. WE ARE WORKING CLASS PEOPLE AND DOUBLE DIGIT INCREASES ARE MUCH TOO HIGH! HELP US OUT BY NOT ALLOWING THIS PROPOSED INCREASE TO PASS. IT IS EXCESSIVE. PLEASE HELP US. PLEASE REJECT THIS PROPOSED DOUBLE DIGIT RATE INCREASE!!

THANK YOU.

Gail A. Manna

GAIL A. MANA

NORTH PROVIDENCE



**Blue Cross  
Blue Shield**  
of Rhode Island

500 Exchange Street, Providence, Rhode Island 02903-2699  
(401) 459-1000 www.BCBSRI.com

January 3, 2012

Cheryl A Phillips  
276 Beachwood Drive  
East Greenwich RI 02818

RECEIVED

JAN 12 2012

Health Insurance  
Commissioner

Dear Cheryl A Phillips,

Blue Cross & Blue Shield of Rhode Island (BCBSRI) has filed a request with the Rhode Island Office of the Health Insurance Commissioner (OHIC) to increase premium rates for our Plans for Individuals and Families beginning April 1, 2012. If the proposed rates are approved, they will be in effect for 18 months: from April 1, 2012 through September 30, 2013.

If you would like to offer feedback on this request, you can do so at the public hearing, which the OHIC has scheduled for January 17, 2012 at 9:00 a.m. Public comment will be taken at 9:00 a.m. and 6:30 p.m. If needed, the hearing will continue on January 19, 2012 at 9:00 a.m. You may also submit written comments to the OHIC. Whether you attend or not, we will notify you in writing as soon as the OHIC has made its final decision on our request. **Please see the attached hearing notice for additional details.**

In addition to our request, we will also be making benefit changes for each of our plans. **For details on the proposed changes to your plan, please see the enclosed chart.**

In this economy, we understand a rate increase is unwelcome news. Please keep in mind that BCBSRI offers ways to help you save money on your monthly health insurance premiums, such as:

- **AccessBlue** – This program is designed to make healthcare more affordable for qualifying individuals and families by helping them pay their monthly health plan premiums. You can apply at anytime by filling out an AccessBlue application and returning it to us.
- **Preferred rates** – This discounted rate is based on your health status, age, and gender. You can apply at anytime by filling out a medical underwriting addendum and returning it to us.

Once our plans and rates are finalized we will send you detailed information about the changes to your plan, information about the other plans that are available to you and information on how you can change your plan if it no longer meets your needs.

As always, if you have any questions, please feel free to contact Customer Service at (401) 459-5000 or 1-800-639-2227 (outside of Rhode Island only).

Sincerely,

*Anne Brunson*

Anne Brunson  
Assistant Vice President, Customer and Provider Service

Enclosure

HealthMate Coast-to-Coast Direct Plan 2000/4000

Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association

**From:** <ggoodwin2@cox.net>  
**To:** <HealthInsInquiry@ohic.ri.gov>  
**Date:** 1/13/2012 11:06 AM  
**Subject:** opposition to rate increases  
**Attachments:** Blue Cross 2012

Dear Mr. Olson:

I am utterly opposed to Blue Cross's outrageous request for rate increases. Please read my attached letter. I plan to testify on the evening of January 17.

Thank you for your assistance. Would you please confirm that this e-mail and its attachment have been received?

Sincerely, George M. Goodwin, Providence

35 Brenton Avenue  
Providence, RI 02906

January 13, 2012

Mr. Herbert W. Olson, Esq., Hearing Officer  
Office of the Health Insurance Commissioner  
State of Rhode Island

Dear Sir or Madam:

You will probably recognize my name because I have written to your office for many years and testified at five of the past six hearings regarding Blue Cross's requests for rate increases. Unfortunately, I will have to testify again next week.

In previous testimony, I have characterized Blue Cross's requests as "deranged," "deluded," and "grotesque." These adjectives were consistent with former Attorney General James O'Neil's testimony as a Blue Cross customer in 2008, when he called the requests "shameless."

So what has Blue Cross learned over the years? That the national economy is strong and that Rhode Island's is robust? That Congress has managed to solve major health care problems, and that most individuals and families are now adequately covered? That medical expenses are no longer the major cause of personal bankruptcy in this country?

Perhaps Blue Cross has learned some other important lessons. That whenever it requests higher rates, it will be at least moderately successful. That a few Blue Cross customers may squawk at hearings, but most will be silent and eventually adjust to increased hardships. That Blue Cross is unable to control ever-skyrocketing health costs, so why bother?

I would like to provide some information about my family's situation. My wife, two adult children, and I are extremely fortunate. We have always been basically healthy, and we are in much better financial shape than the vast majority of Rhode Islanders. In 2012, the greatest expense that my wife and I shouldered was for federal, state, and local taxes, which totaled about \$85,000. Our second greatest expense, however, was for health, dental, and vision care, which was more than \$22,000. Our children are college graduates and live on their own, but thanks to President Obama's health care act, they were covered under our Blue Cross insurance. In 2011, my wife and I spent about \$7,500 for food, which was about one-third the cost of health care.

In a strange sense, this past year was good for us because it was the first year that our family exceeded its \$6,000 deductible. There was a simple reason: my double

cataract surgery cost \$6,500. As a result, Blue Cross covered my expensive treatment for a skin problem. When I broke a bone in my left foot, Blue Cross also covered my emergency care. For example, it paid \$300 for a felt and metal boot made in Bangladesh.

So what can my family look forward to if Blue Cross's new requests are approved? I believe that our monthly premiums would increase 10.4%, which would represent a 61% increase since 2005. But it is not clear to me from the Class DIR Preferred table distributed by your office where I fit. I thought that I would fall into the new category of Blue Solutions for HAS, but there is no \$6,000 category and no explanation why.

I called the Blue Cross office for an explanation. A courteous customer representative could not answer my question, but she refused to connect me with a Blue Cross official who could offer a better explanation. It became clear to me that I understand the rate request process better than she.

But the most frightening portion of the proposed rate increases is not monthly increases. It is the staggering thought that, after exceeding customers' deductibles, Blue Cross will cover only 80% of the costs previously covered. In other words, customers would have to pay significantly more for significantly less coverage. I am guessing that emergency surgery or a weeklong hospitalization could run \$20,000 to \$30,000. As a result, customers would have to pay an additional \$4,000 to \$6,000. If emergency care were \$100,000, customers would be responsible for an additional \$20,000.

So how do Blue Cross requests make sense? It seems to me that, unlike all other companies, Blue Cross expects to be well rewarded for essentially failing. Yet, the company never goes out of business. As a monopoly, it simply continues to manipulate its customers.

Yet, there is some hope for reason and fairness to prevail. The Health Commissioner's Office does not have to cave in to Blue Cross's incompetence and greed. I am grateful too because the Department of Attorney General, particularly Atty. Genevieve Martin, has consistently advocated for Blue Cross customers.

Whatever the outcome of this letter and next week's hearing, I will be back next year because Blue Cross will again ask for steeper premiums for even less coverage. Most customers will become even more desperate.

Sincerely,

George M. Goodwin

RECEIVED

JAN 13 2012

Health Insurance  
Commissioner

January 11, 2012

Dear Mr. Holler,

I am writing you as a concerned citizen of R.I. I was informed that you granted BC & BS of R.I. to change their formats of their coverages. I received their information but was in the mail to find out that the coverage I have on my medical plan, Health Mate Coast to Coast, will change it's name to Vantage Plus in April with numerous changes to this coverage. Enclosed you will find copies of the changes & will also show the differences in their pay schedules. It will change the premium considerably as you can see. I presently have a \$1,000 deductible of which I have been paying \$615.23 monthly. That will now jump to \$814.41 per month for a single individual plan. That is a considerable jump of the 4.4% raise that they are looking for. How do you expect people to deal with this left alone jump in price? This leaves me & I am sure many R.I.'s to choose another plan & pay more out of pocket expenses plus the premium monthly. By allowing them to change has affected, I am sure, many people who have to pay their own medical insurance. Seeing that BC & BS is the only provider in this state, of which I have investigated, unless your BS, you would be eligible to look



into United Health Care. In the meantime, BC+BS  
is the only provider - no one else to choose from  
when you are a single person. United Health  
is only available to singles at 65.

What can be done with these exorbitant prices?  
It sure is difficult enough to come up with \$15  
monthly - another \$20 is extreme - a far cry  
from the 4.4%!

What are the choices out here? None!  
BC+BS are the only ones who can write a policy  
in this state!!

Please review the enclosed sheets. I  
would like to hear back from you on your view  
points of the changes. Thank you.

Sincerely,  
Sybil Berg  
100 Marshall Ave.  
Camden, R.I.

02864

401-334-2439

## 2012 Changes to Your HealthMate Coast-to-Coast Direct Plan

The chart below summarizes your current in-network benefits and the benefit changes to be implemented April 1, 2012. Please note your plan will have a new name effective April 1, 2012. The column on the right indicates the benefits that have changed.

	Current 2011 Plan	2012 Plan Changes	Benefit changes are noted with a ✓
Plan Name	HealthMate Coast-to-Coast Direct Plan 1000/2000	VantageBlue Direct Plan 1500/3000	
Individual deductible	\$1,000	\$1,500	✓
Family deductible	\$2,000	\$3,000	✓
Individual out-of-pocket maximum	\$3,000	\$4,500	✓
Family out-of-pocket maximum	\$6,000	\$9,000	✓
Coinsurance	20% after deductible	20% after deductible	
Annual well exam	\$0	\$0	
Primary care physician office visit	\$20	\$20	
Specialist office visit	\$40	\$40	
Diabetics foot/eye exam visits*	\$0	\$0	
Urgent care visits	\$75	\$75	
Emergency room visits	\$200	\$200	
Preventive radiology services	\$0	\$0	
Diagnostic radiology services, including MRIs, MRAs, PET scans, CT scans, and nuclear cardiac imaging	\$0	20% after deductible	✓
Preventive laboratory services	\$0	\$0	
Diagnostic laboratory services	\$0	20% after deductible	✓
Inpatient hospitalization	20% after deductible	20% after deductible	
Surgery in a physician's office	\$0	20% (deductible doesn't apply)	✓
Physical, occupational, and speech therapy visits	20% after deductible (no limits)	20% after deductible (30 visit limit per specialty)	✓
Pharmacy copayments	Tier 1: \$7; Tier 2: \$30; Tier 3: \$50; Specialty drugs: \$75	Tier 1: \$10; Tier 2: \$35; Tier 3: \$60; Specialty drugs: \$100	✓
Plan incentives	\$50 Gift Card for completion of an online Personal Health Assessment  \$2 copayment on certain prescription drugs for diabetes, asthma, and Chronic Obstructive Pulmonary Disease	\$50 Gift Card for completion of an online Personal Health Assessment  \$2 copayment on certain prescription drugs for diabetes, asthma, and Chronic Obstructive Pulmonary Disease	

\*Please see your subscriber agreement for complete benefit details.

The monthly proposed Basic (Pool I) age rates and the Preferred (Pool II) medically underwritten age/gender rates for the Direct Pay products with the proposed rating and benefit changes noted in the Filing proposed to be effective April 1, 2012 are listed below:

**Class DIR Basic (Pool I)**  
**Proposed Rates Effective April 1, 2012**

		<b><u>VantageBlue/HealthMate</u></b>			<b><u>Blue Solutions for HSA</u></b>		<b><u>BlueValue</u></b>
		<b><u>1000</u></b>	<b><u>1500</u></b>	<b><u>2500</u></b>	<b><u>3000</u></b>	<b><u>5000</u></b>	<b><u>2500</u></b>
Under 25	Individual	\$542.94	\$492.06	\$428.36	\$376.62	\$302.23	\$267.89
	Family	\$1,022.18	\$926.39	\$806.47	\$709.05	\$569.00	N/A
25-29	Individual	\$554.70	\$502.72	\$437.64	\$384.78	\$308.78	\$273.69
	Family	\$1,043.74	\$945.93	\$823.48	\$724.01	\$581.00	N/A
30-34	Individual	\$575.28	\$521.37	\$453.88	\$399.05	\$320.23	\$283.84
	Family	\$1,082.94	\$981.46	\$854.41	\$751.20	\$602.82	N/A
35-39	Individual	\$596.84	\$540.91	\$470.89	\$414.01	\$332.23	\$294.48
	Family	\$1,124.11	\$1,018.77	\$886.88	\$779.75	\$625.73	N/A
40-44	Individual	\$609.58	\$552.46	\$480.94	\$422.85	\$339.33	\$300.77
	Family	\$1,147.63	\$1,040.08	\$905.44	\$796.07	\$638.83	N/A
45-49	Individual	\$647.81	\$587.10	\$511.10	\$449.36	\$360.60	\$319.63
	Family	\$1,220.15	\$1,105.81	\$962.66	\$846.38	\$679.20	N/A
50-54	Individual	\$707.59	\$641.28	\$558.26	\$490.83	\$393.88	\$349.12
	Family	\$1,331.87	\$1,207.06	\$1,050.81	\$923.88	\$741.39	N/A
55-59	Individual	\$787.95	\$714.11	\$621.67	\$546.58	\$438.61	\$388.77
	Family	\$1,483.78	\$1,344.73	\$1,170.66	\$1,029.25	\$825.95	N/A
<b><u>60-64</u></b>	Individual	<b><u>\$814.41</u></b>	\$738.09	\$642.55	\$564.93	\$453.34	\$401.83
	Family	\$1,532.78	\$1,389.14	\$1,209.32	\$1,063.24	\$853.22	N/A
65+	Individual	\$1,012.38	\$917.51	\$798.74	\$702.25	\$563.54	\$499.51
	Family	\$1,910.10	\$1,731.10	\$1,507.01	\$1,324.97	\$1,063.26	N/A

**From:** Kially Ruiz <kruiz@aquinergy.com>  
**To:** <healthinquiry@ohic.ri.gov>  
**CC:** Ken Block <kblock@moderate-ri.org>, "Daniel P. Rep. Reilly" <rep-reilly@...  
**Date:** 1/13/2012 11:21 AM  
**Subject:** Class DIR Preferred (Pool II) - Proposed Rates by BCBS RI  
**Attachments:** BCBSRI\_KRUIZ\_LETTER.pdf

Please find attached my comments regarding the proposed rates for BCBS RI's HSA plan, prior to the hearing scheduled on January 17, 2012.

Kially Ruiz  
President, Aquinergy LLC

60 Almy Knoll Terrace  
Portsmouth, RI 02871  
(401) 835-4033  
kruiz@aquinergy.com  
<http://www.aquinergy.com/>

Kially and Madeline Ruiz  
60 Almy Knoll Terrace  
Portsmouth, RI 02871

RE: Proposed Health Insurance Rates for Blue Cross Blue Shield RI  
Class DIR Preferred (Pool II) – effective April 1, 2012

To:  
Hearing Officer  
Herbert W. Olson, Esq.  
Office of the Health Insurance Commissioner  
1511 Pontiac Avenue, Building 69-1  
Cranston RI 02920

Dear Sir,

I am writing to oppose the proposed plan changes for HSA Direct Plan of BCBSRI.

The new plan would significantly increase my family's health care expenses without adding any additional customer value. The new plan increases the out of pocket maximum by \$4,000 and adds a 20% deductible for basic primary care physician visits.

IT also adds deductibles to basic diagnostic services, and increases co-payments for prescriptions.

These basic "wellness" services should be a standard part of any plan, without additional charge. Taking care of one's health through regular doctor visits and diagnostic follow-up is essential to keeping health care expenses down by avoiding more expensive treatment down the line.

My family of four (mom, dad, and two young children) already pays over \$7,000 in premiums per year, and on top of that we have to pay out of pocket up to our deductible of \$6,000. In some years, our total expenses have been around \$13,000, more than we pay for food, heating or other necessities.

BCBSRI needs to learn how to improve their business model so they can lower costs for members. Simply asking members to keep bearing more of the burden for bureaucratic costs, poor quality care, and the poor habits of others, is not a sustainable course.

Why can't BCBSRI innovate and figure out ways to reduce diagnostics and physician costs by 20% instead of asking my family to pay 20% more?

Why can't BCBSRI understand that if they keep making it difficult for people to see their physician and take care of themselves they are only increasing the overall cost for the pool of insured clients?

The health insurance industry is still in a rut, lacking innovation or any creativity whatsoever. Just increasing prices year after year is not good policy. And asking young families to decide between seeing their physician for basic preventive care or paying an ever higher co-payment is not a solution to reducing health care costs.

Sincerely,

Kially Ruiz

## HealthInsInquiry - Health Insurance Advisory Council - January Meeting

**From:** Steve Regnault <lor1@msn.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/13/2012 11:47 AM  
**Subject:** Health Insurance Advisory Council - January Meeting

Hi

Regarding Blue Cross Rate increase. I would greatly appreciate try to hold off on any increases. It costly enough as is but now an jumping into another bracket at 55 years old and with another increase on top of that it will be out of sight.

Regards,  
 Steve Regnault  
 210 Sir Michael Circle  
 West Kingston, RI 02892

**From:** OHIC [mailto:ohic@ohic-ri.ccsend.com] **On Behalf Of** OHIC  
**Sent:** Friday, January 13, 2012 11:37 AM  
**To:** lor1@msn.com  
**Subject:** Health Insurance Advisory Council - January Meeting



January

January 13, 2012



HEALTHpact. Lower cost. Comprehensive health insurance.



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### Health Insurance Advisory Council January Meeting

The OHIC website has been updated with meeting materials for the January 17th meeting that will be held at the RI Dept of Labor and Training.

The Office of the Health Insurance Commissioner (OHIC) was established by legislation in 2004 to broaden the accountability of health insurers operating in Rhode Island. By statute the Office is dedicated to:

- Protecting consumers

- Encouraging fair treatment of medical service providers
- Ensuring financial solvency of health insurers
- Improving the health care system's quality, accessibility and affordability

OHIC eNews is sent out to the Office's Interested Parties List when the Office website is updated or when the Office seeks to inform or solicit feedback from the public.

This email is best viewed in HTML format.

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[www.ohic.ri.gov](http://www.ohic.ri.gov)

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OHIC | 1511 Pontiac Avenue | Building #69, first floor | Cranston | RI | 02920

## HealthInsInquiry - STOP INCREASING PREMIUM RATES

---

**From:** Bridget Royer <royer.bridget@gmail.com>  
**To:** <healthinsinquiry@ohic.ri.gov>  
**Date:** 1/13/2012 11:59 AM  
**Subject:** STOP INCREASING PREMIUM RATES

---

Dear Blue Cross Hearing Officer,

As a member of BCBSRI I am very opposed to the proposed rate increases!! It is already difficult enough to pay the premiums for my Healthmate Coast-to-Coast Plan and an increase in rates is not appreciated. Do you even spend 80% of premiums on medical care or ways to improve it? Please consider how unreasonable this proposed increase is and reconsider.

Sincerely,  
Concerned BCBS-RI member  
Bridget Royer



3 Oakview Terrace  
No. Scituate, RI 02857  
January 11, 2012

Herbert W. Olson, Esq.  
c/o Office of the Health Insurance Commissioner  
1511 Pontiac Avenue  
Building #69-1  
Cranston, RI 02920

RECEIVED

JAN 13 2012

Health Insurance  
Commissioner

Dear Mr. Olson:

As the commission formulates its decision regarding BCBSRI's filing for a rate increase and plan restructuring, I earnestly ask that you take into serious consideration the following three points.

First, health-insurance premiums have become a crushing burden to many Rhode Islanders, including me. (See HHS Secretary Kathleen Sebelius's enclosed op-ed piece, which was published by the *Washington Post* on Jan. 5.) Premiums have skyrocketed three times faster than wages have, as the essay points out. BCBSRI's proposed rates would cause my medical-insurance premiums to jump 10.5 percent. My wages have been stagnant (and, because of inflation, have therefore been declining) for 5 years. When notifying us policyholders of the proposed terms, BCBSRI's Anne Brunson said that this news announcing a rate increase is "unwelcome." It is far more than just "unwelcome." It is crushing.

Second, BCBSRI's proposal would, in one fell swoop, *destroy* the advantages of its high-deductible policy, which is what I currently have. This policy currently caps my out-of-pocket, in-network expenses at \$3,000. According to BCBSRI's proposed terms, that deductible would be *doubled*, thereby annually lifting an additional \$3,000 out of my pocket. (I hope that I'm correctly reading BCBSRI's letter of explanation.) In talking on this risk of having to pay an additional \$3,000, I'm not getting a rate cut; I'm actually being forced to pay an extra 10.5 percent. That just makes no sense at all.

This change would be patently unfair to me and to other policyholders like me. I currently pay BCBSRI's preferred rates. Because I strive to be extraordinarily health-conscious (in just one of many examples, I exercise at least 3 hours *every day* during the warmer months and at least 1 hour *every day* during the winter), my premiums are pure profit for BCBSRI. I believe that, in 6 years of having this BCBSRI policy, I've exceeded my deductible just one time, and that was for only a few hundred dollars. My reward for being this health-conscious (and thus saving BCBSRI a lot of money) is an additional \$6,750 that I potentially would have to fork over to BCBSRI during the 18-month life of the proposal. I shudder to think about what might happen then. Can't some less-crushing provisions be made for policyholders (such as me) who file virtually no claims at all with BCBSRI? Can't the policyholders who actually cause BCBSRI's costs be targeted instead? Wouldn't that be better for and fairer to everyone?

Third, BCBSRI announced in July 2011 a "Care Coordination Program" that I, striving even to improve upon my dedication to good health, immediately signed up for. The plan is, as I understand it, a preventive-care program that should save BCBSRI huge sums of money if enough policyholders participate. (Each participant establishes two health-improvement goals approved by BCBSRI and receives a VISA rewards card if those goals are met. I set and met *four* entirely new goals, above and

Herbert W. Olson, Esq.

Page 2

Jan. 11, 2012

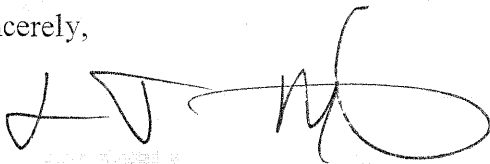
beyond my exercise program.) I'm doing all that I can to control BCBSRI's costs, and all I'm getting for it is these huge rate increases, doubled deductibles and new 20 percent co-pays. I just have to believe that there are better, fairer and (for us policyholders) less-oppressive ways for BCBSRI to generate the revenues needed to meet all of its obligations. Have the potentially huge savings from this Care Coordination Program been factored into BCBSRI's proposal? Can't policyholders who take part in the program be rewarded with terms that are better than those contained in the proposal that is on your desk right now? We are subsidizing those people who do not participate and who do not try as hard as we do to control BCBSRI's costs, just as we are subsidizing smokers and other people whose bad habits probably cause much of BCBSRI's outlays.

I realize that you face a tremendously difficult decision regarding BCBSRI's proposal. I also realize that there are no easy answers. If some (perhaps many) Rhode Islanders are to continue to be able to afford health insurance in our state, then we need to find solutions other than the ones most recently proposed by BCBSRI. This is the company whose business is to ensure our good health; however, from my point of view anyway, how this company is taking care of my health is, in a manner of speaking, just about killing me.

I truly hope that you feel my points have some merit and can be incorporated into your final decision.

Thank you for your consideration.

Sincerely,

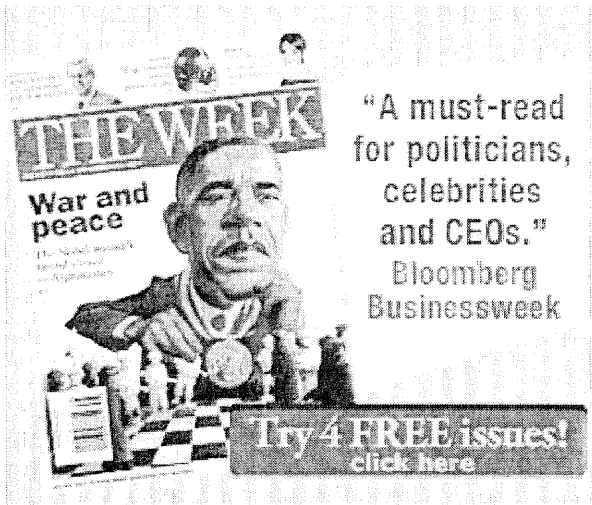
A handwritten signature in black ink, appearing to read 'Alvin T. Tomko', with a large, stylized flourish at the end.

Alvin T. Tomko

cc: A Brunson, BCBSRI

# The Washington Post

[Back to previous page](#)



## The Affordable Care Act, helping Americans curb health-care costs

By Kathleen Sebelius, Published: January 5

The rising cost of health insurance coverage has imposed a heavy burden on our nation. Over the past decade, insurance premiums for working families have grown three times faster than have wages. Small businesses have seen health care become one of their biggest operating expenses. And rising state and federal spending on health programs has crowded out critical investments in better schools, new roads and other areas.

If health-care costs continue to rise unchecked, they will threaten America's ability to compete and will become unaffordable for most families. One of the major reasons we passed the Affordable Care Act was to bring down costs, something the health-care law does in three ways: by increasing insurance-market competition, assisting those who can't afford coverage, and tackling the underlying cost of medical care.

The 2010 reform law gives Americans a truly competitive health insurance market. In the past, insurers could get away with huge premium hikes because there was little transparency or accountability. People saw their insurance rates rise but had little way of knowing whether the increase was justified. In a market where consumers had little information, prices and insurance-company profits soared.

The Affordable Care Act is putting consumers back in charge with two new rules that shine much-needed light on the health insurance market. The first requires insurers to justify premium increases of more than 10 percent and to post that information online. The second is the "80-20 rule," which requires

insurers to spend at least 80 percent of premium dollars on health care, rather than on advertising or executive pay. If they don't, you get a rebate. Together, these changes are creating a health insurance market where premiums stay in check and Americans get their money's worth.

The Affordable Care Act also makes health plans more affordable for small businesses and individuals by creating a marketplace of state-based insurance exchanges. In this new marketplace, consumers will be able to see all their options in one place. Health plans with similar benefits will be compared on an "apples to apples" basis, creating a new level of competition that drives down costs even further. And under the law, Americans with low incomes will be eligible for tax credits to make sure they can afford coverage. Insurers will also be prohibited from using "preexisting conditions" to lock people out of the market.

But helping individuals and small businesses afford health insurance is only part of the answer. All Americans with health coverage, whether they receive it directly or through their employer, have faced unchecked increases for many years because of rapid growth in the underlying cost of care. The Affordable Care Act gives us tools to reduce costs by promoting better health and providing better care, especially in Medicare and Medicaid, which can be tremendous forces for positive change across the entire health-care system.

The law emphasizes prevention because we know it is far less expensive to prevent disease than to treat it. Under the Affordable Care Act, many preventive services are available without cost-sharing so patients avoid chronic conditions and the painful and costly complications they often lead to.

In addition, several initiatives in the health-care law are designed to support physicians, hospitals and other providers in their lifesaving work. For example, the Partnership for Patients is a nationwide effort to reduce patient infections and hospital readmissions. Together with hospitals and clinics, we are helping to share and replicate the most significant improvements that some of the country's best hospitals have already achieved. Simple activities such as hand-washing and discharge planning, done systematically, can save lives and money. By helping these innovations spread, the Partnership for Patients alone could reduce costs to Medicare by \$50 billion in the next 10 years.

The health-care law gives us dozens of tools to improve chronic-disease management, coordinate care among multiple providers and foster innovation. Experts who have studied the law, from the Medicare trustees to the independent Congressional Budget Office, agree that it will put the brakes on skyrocketing Medicare costs. And last January, 272 of America's top economists wrote to the House Budget Committee that the ACA "contains essentially every cost-containment provision policy analysts have considered effective in reducing the rate of medical spending."

It won't be easy and it won't happen overnight. But at a time when some claim that our only options are to allow health-care costs to continue to skyrocket or to make some of the most dramatic cuts to our health-care programs ever proposed, the Affordable Care Act provides a better way forward.

RECEIVED

JAN 13 2011

Health Insurance  
Commissioner

Philip Dargie  
27 Fairhaven Rd.  
Cumberland, RI 02864

Dear Sir:

I have just received notice of yet another premium increase request and benefit reduction proposal by Blue Cross of R. I. The frequency and amounts of these requests is becoming very alarming.

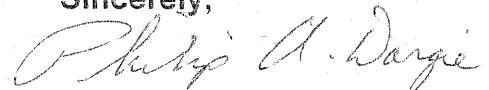
In my particular case I presently pay for about 15% of my own health care expenses in spite of having insurance. Blue Cross is able to keep over \$4,000.00 of the premium I pay after paying their portions of health care costs and I am a 57 year old male with heart disease. Between the deductible, co-insurance and co-pays Blue Cross is paying substantially less and less as time goes on and collecting much more in premiums.

Could you answer the following questions regarding Blue Cross?

1. What percentage of each premium dollar collected is paid out for health care costs? Is this number remaining constant, increasing, or decreasing?
2. What is the amount of cash reserves does Blue Cross have at the present time?
3. Most employers now require employees to contribute to their health insurance costs. Do Blue Cross employees receive health insurance as part of their employment benefits? Do they pay anything toward it? I'm especially interested in whether or not the top executives contribute anything and what their deductibles, co-ins, and co-pays are.
4. Does the Health Commissioner have any authority to restrict or limit the compensation packages given to Blue Cross employees?
5. If there are no limits on executive compensation or the amount of cash reserves Blue Cross can accumulate, what is meant by the term "nonprofit"?
6. If Blue Cross ever became a "for profit" organization what would happen to the accumulated cash reserves?
7. How did Blue Cross justify the expenditure of so much money for a new office building if they don't have sufficient funds to pay for health care costs?

I greatly appreciate your time in answering these questions.

Sincerely,



Philip A. Dargie

William B. Toohey  
34 Anchorage Ct.  
Bristol, RI 02809

January 9, 2012

Christopher F. Koller  
Health Insurance Commissioner  
Office of Health Insurance Commissioner  
1511 Pontiac Avenue, Bldg. 69-1  
Cranston, Rhode Island 02920

RECEIVED

JAN 13 2012

Health Insurance  
Commissioner

RE: Blue Cross Blue Shield Rate Increase

Dear Mr. Koller,

I received a letter from Blue Cross Blue Shield of Rhode Island this past week detailing *rate increases* and *coverage decreases* for individuals and families on the HealthMate Coast to Coast Direct Plan. While most of the focus seems to be on rate increases (+5.6% in my family's case); the increases to deductible (+25% for individual and family), and even worse the out of pocket cost (+133% for individual and +150% for family), plus the increase in pharmacy copayments make this proposal untenable.

I find this proposal to be outrageous in its aggressiveness and I hope you do too.

Frankly I don't understand how an insurance company can be so hostile in making recommendations that are clearly off base in terms of coverage being offered. Indeed it is easy to see why insurance companies have to put forward their proposals to your office so that there can be a referee who ensures consumers are not mistreated.

I understand there are only about 14,000 individuals and families on this plan. It appears that Blue Cross Blue Shield wants to raise the rates of this small group to a level where they force individuals and families to look for other solutions. I trust that your office can mitigate these increases to something that is reasonable, particularly in these difficult economic times.

#### Details of Increase

In the chart that follows you will see the changes as they impact my family. The monthly cost of the plan is for our age group. (Our age group has not changed since the 2011 plan.)

There appears to be an error in the proposed plan details. The current plan name refers to a 2000/4000, a deductible of \$2,000 for individual and \$4,000 for family, the new plan refers to a 2500/7500, a deductible \$2,000 is there for individual, however the family deductible is listed as \$5,000 not the \$7,500 as the plan name suggests (see attached chart from Blue Cross Blue Shield). Indeed the 7500 in the plan name does not appear anywhere in the details. This is a pretty serious error! It is very

misleading and impossible to understand. If the new plan family deductible is going to be \$7500 (an increase of +88% over current plan) as the plan name implies, the proposal is even more outrageous and unacceptable.

The deductible increases are huge in both real dollars and percentage terms. And the out-of-pocket increases are draconian in scope at +133% and +150%.

Additionally there are changes to the pharmacy copayments that are highly dependent on what drugs you take. In our case it appears that these changes will result in a \$200 increase in drug costs.

	Current 2011 Plan	2012 Proposed Plan	Increase
Plan	HeathMate Coast to Coast Direct Plan 2000/4000*	HealthMate Coast to Coast Direct Plan 2500/7500*	+25%/+87.5%
Monthly Cost of Plan	\$994	\$1050	+5.6%
Individual Deductible	\$2,000	\$2,500	+25%
Family Deductible	\$4,000*	\$5,000*	+25%
Individual out-of-pocket	\$3,000	\$7,000	+133%
Family out-of-pocket	\$6,000	\$15,000	+150%
Pharmacy copayments			
1. Tier 1	20%	\$10	
2. Tier 2	25%	\$25	
3. Tier 3	50%	\$60	

\*Note the difference between plan name and deductibles for family...

#### **Extension: Worse Case Scenario**

A worst case scenario shows that the impact of the Blue Cross Blue Shield proposal could be a **whopping increase of +49%** if my family had significant medical expenses in a year. To evaluate the full extent of the many changes to this plan, here follows a calculation that assumes we had to pay all deductibles and out-of-pocket expenses. The chart below compares the current plan to the new plan not including pharmacy copayments:

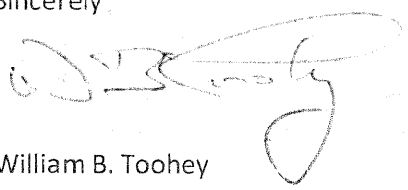
	Current 2011 Plan	2012 Proposed Plan	Increase
Plan	HeathMate Coast to Coast Direct Plan 2000/4000	HealthMate Coast to Coast Direct Plan 2500/7500	+25%/+87.5%
Yearly Cost of Plan	\$11,928	\$12,600	+5.6%
Family Deductible	\$4,000	\$5,000	+25%
Family out-of-pocket	\$6,000	\$15,000	+150%
Total	\$21,928	\$32,600.00	+49%

If the family deductible goes to \$7500, (not the \$5,000 listed above) as the plan name suggests, the increase would be a 60% increase to our family's expenses.

Summary

Clearly the Blue Cross Blue Shield proposal is beyond the bounds of reasonableness. I trust that your office can have some significant impact on reducing the cost increases and mitigating the deductible and out-of pocket increases thus making the proposal fair to members of the plan.

Sincerely

  
William B. Toohey

Tel: 401 396 9565

Attach 1: 2012 Changes to Your HealthMate Coast to Coast Direct Plan.



Janet M. Lofsky  
19 Baileys Ledge Rd.  
Little Compton, RI 02837

RECEIVED

JAN 13 2012

Health Insurance  
Commissioner

Herbert W. Olson Esq.  
Hearing Officer  
c/o Office of Health Insurance Commissioner  
1511 Pontiac Ave. Building # 69-1  
Cranston, RI 02920

Dear Mr. Olson,

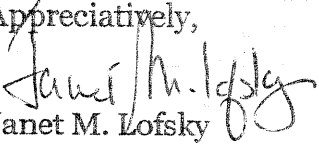
I write to you after receiving a letter advising me of a possible rate increase requested by Blue Cross/ Blue Shield of Rhode Island beginning on April 1, 2012. I am very concerned that this increase **NOT BE APPROVED**. This increase will directly impact myself and many others in RI who are presently unemployed and struggling to find a job.

Personally, I was let go from my job in October 2009 and have been searching for employment (offering healthcare benefits ) since that date. Now, in order to afford my health insurance directly from BC/BS I needed to take early Social Security benefits which does still does not cover my monthly premium. With an increase, I would be forced to drop the coverage. I am 63 years of age with ongoing health issues and can not be considered for preferred rates. My current yearly deductible is \$3,000 maximum per year in addition to monthly premiums of \$669.00. The increase and change in benefits of the HealthMate Coast -to - Coast Direct Plan would force me to drop my healthcare coverage.

My husband, 72 years of age, works part time at small hourly wage to help pay the bills.

Please consider those of us who are struggling to pay for housing, fuel prescription drugs, food, and escalating health insurance premiums. We are the group of people suffering without jobs!

Appreciatively,

  
Janet M. Lofsky